

Quarterly report

Q4 2023

Investment Objective

The principal investment objective of the fund is providing daily liquidity to investors while aiming to achieve the highest possible returns.

Investment Universe

- The fund invests mainly in treasury bills, treasury bonds, corporate bonds, securitized bonds and time deposits.

- Investments tenor shouldn't exceed 13 months.

- Weighted average durations doesn't exceed 150 days.

Subscription/Redemption

- The fund offers daily subscription/redemption giving clients access to daily liquidity.

- The valuation day for the fund is daily

- Minimum initial investment is 100 ICs

Fund Details

Type of Scheme	Open Ended
Inception date	May-2006
IC price	EGP 59.52014
Dividends Since Inception	EGP 0.00
Duration	28.60 days
Fund Size	EGP 2,590.86 million
Bloomberg Ticker	EFGALX2
ISIN	65077562

Fund Manager

Management company	Hermes Portfolio and Fund Management
Fund Manager	Yehya Abdel Latif
Assistant Fund Manager	Aly Sallam

Contact Details

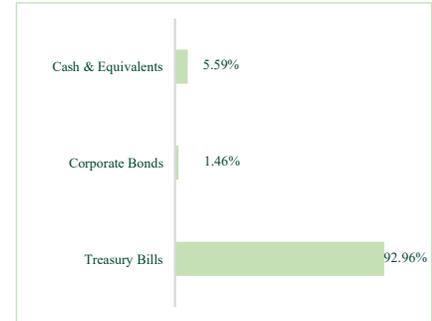
Bank of Alexandria	
Telephone	19033
Website	https://www.alexbank.com/En

Portfolio

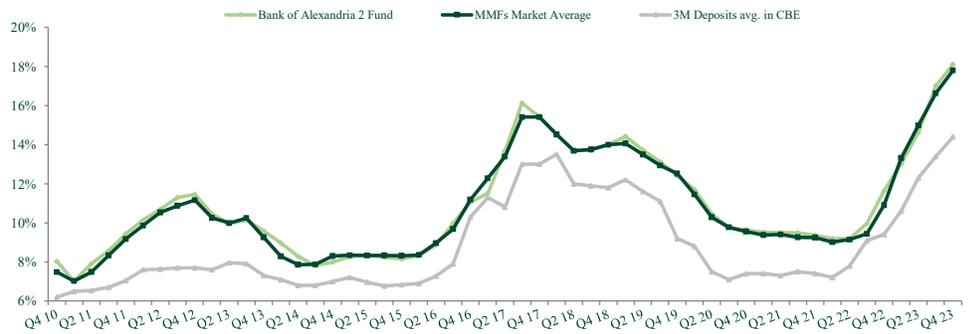
Performance Figures

Date	Return
Q4 2023	18.12%
YTD	16.66%
2022	10.38%
2021	9.81%
2020	10.80%
5-YTD	12.31%
Since Inception	10.62%

Asset Allocation



Relative Performance



Market Outlook

Market Commentary

- ≡ Headline inflation eased from 35.8% in October to 34.6% in November. This came as monthly momentum inched from 1% in the previous month to 1.3%. The slowdown came on the back of continued moderation in food inflation, with prices increasing 0.2% down from 1.5% in the previous month and 3.6% in the month before.
- ≡ Egypt's current account deficit narrowed to \$2.8bn in 1Q23/24 from \$3.2bn a year earlier. This came as the trade deficit narrowed to \$7.9bn from \$9.1bn in 1Q22/23 on the back of a drop in imports to \$16.3bn. Tourism revenues grew c. 9% to \$4.5bn, while FDI saw a drop to \$2.3bn from \$3.3bn. Overall, the balance of payments recorded a surplus of \$229mn vs \$523.5mn in 1Q22/23.
- ≡ Net international reserves increased slightly to \$35.22bn in December from \$35.17bn a month earlier.
- ≡ Egypt's Purchasing Managers' Index (PMI) slightly rose to 48.5 in December from 48.4 in the previous month, marking the first uptick since last September.
- ≡ The Monetary Policy Committee (MPC) decided to keep the Central Bank of Egypt's (CBE) overnight deposit, lending rate, and the rate of the main operation unchanged at 19.25%, 20.25%, and 19.75% respectively, in its December meeting.
- ≡ Egypt's net foreign liability position narrowed to \$27bn in November from \$27.2bn in October.
- ≡ Quarter Closed:
 - 3m: 25.70% (20.56% Net of Tax)
 - 6m: 26.00% (20.8% Net of Tax)
 - 9m: 27.30% (21.84% Net of Tax)
 - 1Yr: 27.60% (22.08% Net of Tax)

Strategy

- ≡ The fund manager will maintain liquidity in anticipation of possible redemptions, while cautiously deploying in high yield T-bills to improve performance.